

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 AS-01 FEA-01 PA-01 PRS-01 USIA-06 /040 W

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R 182050Z NOV 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 3479

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E.O. 11652: N/A

TAGS: ENRG, ELAB, AR

SUBJECT: GOA INTERVENES STATE OIL COMPANY (YPF)

1. BY DECREE, EXECUTIVE POWER HAS INTERVENED STATE OIL COMPANY (YPF). THE NEW INTERVENTOR, RETIRED LIEUTENANT COLONEL JORGE OBON, TOOK OFFICE AT NOON TODAY (NOV. 18) REPLACING FORMER YPF ADMINISTRATOR NELLS LEON.

2. LABOR TROUBLE HAS BEEN BREWING IN YPF AND WAS PRIMARY FACTOR BEHIND INTERVENTION. SEVERAL WEEKS AGO, FORMER YPF ADMINISTRATOR LEON, UNDER STRONG UNION PRESSURE, AGREED TO SALARY INCREASES FOR YPF PERSONNEL AVERAGING 45 PERCENT PLUS SPECIAL BENEFITS. INCREASES EXCEEDED BY WIDE MARGIN THE \$1,500 PESO PER MONTH HIKE SET BY ECONOMY MINISTER CAFIERO APPLICABLE TO PRIVATE SECTOR AND OTHER STATE ENTITIES. RATHER THAN PERMITTING THEM, EXECUTIVE POWER TOOK TOUGH POSITION ANNULING AGREEMENT AND INTERVENING YPF.

3. CURRENTLY, SALARY NEGOTIATIONS BETWEEN GOA AND PETROLEUM UNION LEADERS CONTINUE IN TENSE ATMOSPHERE. POSSIBILITY OF A STRIKE REMAINS. MOTOR GASOLINE HAS BEEN IN SHORT SUPPLY RECENTLY DUE SEVERAL FACTORS AND THERE IS APPREHENSION THAT CONTINUATION LABOR PROBLEMS COULD WORSEN SUPPLY SHORTAGES.

4. COMMENT: EXXON REPS DON'T BELIEVE INTERVENTION WILL  
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HAVE ANY DIRECT IMPACT ON EXXON'S SITUATION BUT THEY

WATCHING DEVELOPMENTS CLOSELY.  
MONTLLOR

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BUENOS07579  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750402-0257  
**From:** BUENOS AIRES  
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**Image Path:**  
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**Legacy Key:** link1975/newtext/t19751134/aaaabdqt.tel  
**Line Count:** 63  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 SEP 2003  
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**TAGS:** ENRG, ELAB, AR, YPF, (OBON, JORGE)  
**To:** STATE  
**Type:** TE  
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